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S E C R E T BEIRUT 004941

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SUBJECT: LEBANON: WHAT'S WRONG WITH AMAL?

REF: BEIRUT 4587

Classified By: Charge d'Affaires Christopher W. Murray for reason 1.4 (d).

11. (S) Summary and comment: The Amal Movement is unable to keep up with Hizballah's popularity because Amal is seen as disorganized, corrupt, and based too much on party leader Nabih Berri. Referred to as "the thieves," Amal's leaders maintain party support through a patronage system that uses government and international aid funds to pay supporters. Amal enjoys little real popularity; many of its supporters are more anti-Hizballah than pro-Amal. Berri is unwilling to reform Amal and has not prepared the party for the future, which suggests future Amal electoral losses to Hizballah. End summary and comment.

WHERE DOES THE MONEY GO?

- 12. (S) The Amal Movement, Hizballah's rival for leadership of Lebanon's Shia community, is corrupt and disorganized under the leadership of Parliamentary Speaker Nabih Berri, according to Shia politicians and citizens whom we interviewed. None are supporters of Hizballah. Amal's leadership is referred to as "the thieves," according to Professor Nizar Hamzeh of the American University of Beirut. Berri delivers social services and development aid to predominantly-Shia southern Lebanon. But the way he does it ("wheeling, dealing, and stealing," according to a relative of Amal's founder Imam Musa Sadr) gives him a poor reputation. While Hizballah uses Iranian money and donations to fund its social services, Berri simply redirects Lebanese taxpayer money to his supporters.
- 13. (S) Much of the GOL's reconstruction and development contracts in southern Lebanon are awarded to Berri associates who hire Berri supporters, according to Hamzeh. Berri directs government tobacco subsidies to Lebanon's inefficient tobacco farms in his political base along the southern Lebanese coast, according to Ahmad Assaad, an independent Shia politician. Assaad added that the GOL-funded Council of the South rebuilds homes in southern Lebanon destroyed by Israeli bombing and shelling, but Amal supporters receive far more compensation for their homes than Hizballah supporters do. Abdallah Bitar, the pro-Amal President of the Nabatiyeh Merchants' Association, told econoff that municipalities that vote for Hizballah get little GOL development aid. Nabatiyeh residents expressed concern to econoff that recent Hizballah gains on the municipal council will cost their town infrastructure aid.
- 14. (C) Yasser Atwi, the English language coordinator at an Amal-run school, provided econoff with an example of Amal charity work that is mostly funded by taxpayer money. Atwi said that Amal built the school with party money and private donations, but it does not pay for the operating costs. Tuition in the Tyre school is subsidized by the GOL at USD 600 per student; the parents pay USD 400. The school, though run by Amal party loyalists, is effectively funded by the GOL and tuition payments.
- 15. (C) Berri has been successful in obtaining international development aid, but many Shia doubt if it goes to the Lebanese people. Hamzeh told us that a center for handicapped and retarded children is closed for most of the year but opened when the center's Italian donors visit.

Hamzeh said that there is a director and staff who collect paychecks, but they are Berri associates who do not normally show up for work.

BERRI, MAN OF THE PEOPLE... HIS PEOPLE

- 16. (S) Our contacts blame much of Amal's stagnation on Berri. One who personally knows Berri described him as temperamental, easily angered, and egotistical. Berri, unlike Hizballah Secretary General Hassan Nasrallah, is not accessible to his subordinates and is regarded as aloof. Mohammad Baydun, a member of the Chamber of Deputies from Tyre and former Amal member, told econoff that Berri tries to make all decisions himself, but he makes those decisions in the interests of his family members' finances, not for the sake of the party. Bitar said that Berri's inner circle acts as his gatekeepers; they use their access to information to increase their personal wealth. Berri acknowledged Amal's shortcomings in his conversations with Bitar, but he appeared too old and tired to do anything about it. "He didn't care," said Bitar.
- (S) Berri has become wealthy and owns a large estate outside of Sidon. No one knows how Berri became wealthy, but his practice of taking a cut of investments in southern Lebanon is one source of income. Berri insists on becoming a partner in any new venture in southern Lebanon without investing any of his own capital, according to southern Lebanese businessmen (reftel). Assaad confirmed this practice, saying that Berri scares off investment in the economically depressed south by demanding a share and the hiring of his cronies.
- $\P8.$  (S) While Berri's wealth has increased, Amal appears to be having difficulty raising money. Amal is losing members to Hizballah, according to Hamzeh. Hamzeh said that Amal's street fundraising is also drying up. More Shia imams are directing charity money to Hizballah projects, according to Baydun. Wealthy Lebanese Shia expatriates in Africa are no longer sending donations to Amal because they do not trust Amal leaders to spend the money on the people, according to Baydun.
- 19. (C) Iran is providing some funds to Amal, though not nearly as much as it gives to Hizballah, according to MP Ali Osseirran of Sidon, a member of Berri's parliamentary bloc. Hamzeh estimated that Iran gives Amal about USD 1 million annually.

## SOFT SUPPORT

- 110. (C) Amal supporters are often more anti-Hizballah than pro-Amal. Amal supporters Bitar and Atwi cited Hizballah's extreme Islamist ideology as the reason they lean to Amal. Atwi told econoff that he was afraid of what Hizballah might do if it were in charge. At the same time, moderate, pro-Western Shia have admitted to us that Hizballah is clean of corruption, efficient at providing social services, and considered heroic for forcing the Israeli Army to withdraw from southern Lebanon in 2000.
- (C) Amal's armed element is no match for Hizballah's military wing, according to Professor Timur Goksel, former UNIFIL spokesman and political adviser for 24 years. Goksel estimates that there are as many as 5,000 armed members of Amal, but they do not train or operate as an organized militia. Goksel reflected on the days when Amal commanded 15,000 militiamen and how far it has atrophied since then. Bitar had a similar view of Amal's armed element, saying that the party didn't have a "real militia." Syria and Iran restrain Hizballah from routing Amal by force, according to Georges Nasr, political officer in the UN mission to southern Lebanon.

## A BLEAK FUTURE

- ¶12. (S) As a result of Amal's corruption and Berri's poor leadership, Hizballah's political strength is increasing. Hamzeh estimates that one-third of Lebanese Shia support Amal, while two-thirds support Hizballah. Hizballah is increasing its political power in areas traditionally supportive of Amal, like Nabatiyeh and the southern Lebanon coast. Hizballah gained control of Nabatiyeh's municipal council in elections this year and is seeking to expand its influence over this historically independent town of 30,000 people. Bitar told us that Hizballah in the past few months has opened 40-50 new offices to provide social services, in some cases leasing apartments for office space. Support for Amal is weakening in Sidon and the Jezzine area, according to Baydun. Amal is still strong only in the Tyre area, Baydun and Hamzeh told us. They predict Hizballah will likely make gains against Amal in next spring's parliamentary elections.
- 13. (S) Baydun believes that Amal's disorganization may lead Syria to replace Berri in the Shia-held position of Speaker of Parliament. He cited as evidence the fact that Berri has met with Syrian President Bashar Asad only twice in the past 15 months, each time for less than a half hour. Baydun listed Surete Generale chief Jamil Sayyid among Berri's possible Shia successors, following parliamentary elections.
- 114. (C) There is no heir apparent in Amal, according to Hamzeh. All of the candidates come from Berri's family. Hamzeh said Berri's son, Abdallah, was being groomed, but Berri had not begun to prepare him until recently. One of our contacts described Abdallah Berri as a "fine young man" as a student who has since become corrupt in his party involvement. Berri's wife, Randa, reportedly prefers her 16 year-old son Basil to Abdallah, but Randa is not well-liked in the Shia community.

## COMMENT

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115. (S) All of the people we talked to were anti-Hizballah, and some were pro-Amal. Amal is near universally derided as corrupt to the core, but it is also considered the only alternative for moderate, secular Shia. Ahmad Assaad hopes to start a third way for Shia by identifying clean politicians who do not have an extremist ideology. This would be a positive development for the well-being and stability of southern Lebanon. End comment.

MURRAY